

**Wisconsin Department of Public Instruction
Condensed Summary of 2017 Act 59
Final 2017-19 Biennial Budget with Vetoes**

**Provisions Related to
Elementary and Secondary Education and
State Agency Operations**

**Prepared by the Policy and Budget Team
Department of Public Instruction**



October 2017

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KEY TO ABBREVIATIONS AND BUDGET TIMELINE

This document summarizes the final outcome of the 2017-19 biennial budget, enacted as 2017 Act 59. If there were no changes to current law for a particular program, there will be no references to that program in this summary document.

APPROPRIATIONS

GPR: Appropriations financed from general purpose revenues available in the state's general fund.

FED: Appropriations financed from federal revenues.

PR: Appropriations financed from program revenues, such as user fees or product sales.

PR-O: Appropriations financed from revenue generated from agency operations (Program Revenue-Operations).

PR-S: Appropriations financed from funds transferred between or within state agencies for the purpose of reimbursement for services or materials (Program Revenue-Service).

SEG: Appropriations financed from segregated revenues.

OTHER

FY: Fiscal Year, for example: FY18 means the 2017-18 state fiscal year (July 1, 2017 – June 30, 2018)

FTE: Full-Time Equivalent Position

FY17 Base: The total FY17 authorized funding level for an agency or program. The base equals FY17 appropriations, pay plan modifications and any other supplements. It is this base that serves as the beginning point for calculating budget changes for the 2017-19 biennium.

JOINT FINANCE: Legislative Joint Committee on Finance

Biennial Budget Timeline

- **November 10, 2016** – the Department of Public Instruction submits its full biennial budget request (part I of the request for agency operations was submitted on September 15, 2016)
- **February 8, 2017** – Governor Walker's biennial budget proposal is introduced as AB 64 (budget bill)
- **September 6, 2017** – the Joint Committee on Finance concludes executive action on the budget bill (introduced as Assembly Substitute Amendment [ASA] 1 to AB 64)
- **September 13, 2017** – the budget bill passes the Assembly
- **September 15, 2017** – the budget bill passes the Senate
- **September 21, 2017** – the Governor signs the budget bill, with partial vetoes, as 2017 Act 59
- **September 22, 2017** – 2017 ACT 59 is published
- **September 23, 2017** – 2017 Act 59 is generally effective (specific provisions have delayed effective or initial applicability dates, as specified in Act 59)

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Summary of State School Aids and Tax Credits under 2017 Act 59

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Categorical Aid Programs (GPR unless noted otherwise)	FY17 - Base	FY18	FY19
Special Education Aid	\$ 368,939,100	\$ 368,939,100	\$ 368,939,100
Per Pupil Aid	\$ 210,992,800	\$ 378,180,000	\$ 549,098,400
Achievement Gap Reduction (formerly SAGE)	\$ 109,184,500	\$ 109,184,500	\$ 109,184,500
Pupil Transportation Aid	\$ 23,954,000	\$ 24,000,000	\$ 24,000,000
Sparsity Aid	\$ 17,674,000	\$ 18,496,200	\$ 18,759,300
Bilingual-Bicultural Aid	\$ 8,589,800	\$ 8,589,800	\$ 8,589,800
Special Education-High Cost ("Additional") Aid	\$ 8,500,000	\$ 9,239,000	\$ 9,353,800
Tuition Payments	\$ 8,242,900	\$ 8,242,900	\$ 8,242,900
High Cost Transportation Aid	\$ 7,500,000	\$ 12,700,000	\$ 12,700,000
Head Start Supplement Grant	\$ 6,264,100	\$ 6,264,100	\$ 6,264,100
Educator Effectiveness Grant	\$ 5,746,000	\$ 5,746,000	\$ 5,746,000
School Lunch Match	\$ 4,218,100	\$ 4,218,100	\$ 4,218,100
Aid for CCDEB's	\$ 4,067,300	\$ 4,067,300	\$ 4,067,300
School Breakfast Grants	\$ 2,510,500	\$ 2,510,500	\$ 2,510,500
Special Education-Supplemental Aid	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000
Peer Review & Mentoring Grant	\$ 1,606,700	\$ 1,606,700	\$ 1,606,700
4K Start Up Grants	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000
TEACH Debt Service	\$ 1,033,300	\$ 911,400	\$ 1,000,600
School Day Milk Aid	\$ 617,100	\$ 617,100	\$ 617,100
Transportation Aid for OE/CO/ECCP	\$ 434,200	\$ 454,200	\$ 454,200
Robotics League Participation Grant	\$ 250,000	\$ 250,000	\$ 250,000
Gifted and Talented Grant	\$ 237,200	\$ 237,200	\$ 237,200
SAGE-Debt Service	\$ 133,700	\$ 133,700	\$ 133,700
Spec Educ.-Transition Incentive Grant	\$ 100,000	\$ 2,700,000	\$ 3,600,000
Supplemental Aid for Large Area District	\$ 100,000	\$ 100,000	\$ 100,000
Transportation Aid for YO	\$ 17,400	\$ -	\$ -
Personal Electronic Computing Device Grant	\$ -	\$ -	\$ 9,187,500
School Performance Improvement Grant	\$ -	\$ -	\$ 3,690,600
Mental Health Collaboration Grants	\$ -	\$ -	\$ 3,250,000
Mental Health Categorical Aid	\$ -	\$ -	\$ 3,000,000
Spec Educ-Transition Readiness Investment Grant	\$ -	\$ -	\$ 1,500,000
Summer School Programs Grant	\$ -	\$ -	\$ 1,400,000
Information Technology Education Grant	\$ -	\$ 875,000	\$ 875,000
Consolidation Aid (no funds allocated in 2017-19)	\$ -	\$ -	\$ -
GPR Categorical Aids	\$ 794,012,700	\$ 971,362,800	\$ 1,165,676,400
Tribal Languages (PR)	\$ 222,800	\$ 222,800	\$ 222,800
Aid for AODA (PR)	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700
PR Categorical Aids	\$ 1,507,500	\$ 1,507,500	\$ 1,507,500
School Library Aids (SEG)	\$ 38,000,000	\$ 35,000,000	\$ 37,000,000
Telecom Access; Educational Agencies (SEG)*	\$ 10,105,100	\$ 21,984,200	\$ 15,984,200
SEG Categorical Aids	\$ 48,105,100	\$ 56,984,200	\$ 52,984,200
Total Categorical Aids	\$ 843,625,300	\$ 1,029,854,500	\$ 1,220,168,100
General Aids			
General Equalization Aids	\$ 4,584,098,000	\$ 4,584,098,000	\$ 4,656,848,000
High Poverty Aid	\$ 16,830,000	\$ 16,830,000	\$ 16,830,000
Total General Aids	\$ 4,600,928,000	\$ 4,600,928,000	\$ 4,673,678,000
Total State School Aids	\$ 5,444,553,300	\$ 5,630,782,500	\$ 5,893,846,100
School Levy/First Dollar Tax Credits*	\$ 1,003,000,000	\$ 1,090,000,000	\$ 1,090,000,000
Total School Aids & Credits	\$ 6,447,553,300	\$ 6,720,782,500	\$ 6,983,846,100
State Residential Schools	\$ 11,237,900	\$ 10,918,900	\$ 10,918,900
Total State Support	\$ 6,458,791,200	\$ 6,731,701,400	\$ 6,994,765,000
<i>*A portion of the Telecom Access funds will be allocated to entities other than schools and CESAs.</i>			
<i>The amount for schools and CESAs is assumed to remain constant, at \$10,105,100 in FY18 and FY19.</i>			

GENERAL SCHOOL AIDS AND REVENUE LIMITS

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General Equalization Aids

Increase funding for general equalization aids by \$72,750,000 GPR (to \$4,656,848,000) in FY19.

Revenue Limit Adjustments

No adjustment to the per pupil revenue limit amount is provided for FY18 or FY19. Maintain the low-revenue ceiling threshold at \$9,100 in FY18, FY19, and thereafter.

School Levy and First Dollar Tax Credits (SLTC/FDTC)

Increase funding for the SLTC by \$87,000,000 GPR annually (to \$1,090,000,000), beginning in FY19. Because it is paid on a delayed basis, the increase would first be counted toward support for K-12 schools for the 2017-18 school year (FY18). [These tax credits are applied after school districts set their levies in the fall.]

Energy Efficiency Exemption

Prohibit school boards from considering a resolution to utilize the Energy Efficiency exemption to the revenue limit after December 31, 2017, until after December 3018 (i.e., into the foreseeable future).

Scheduling of School District Referenda

Beginning with school board resolutions on January 1, 2018, limit school district referenda, both for operations and for issuing debt, to being held only on regularly-scheduled election days and to just two dates per calendar year. An exception is created for a school district that has experienced a natural disaster: a special referendum could be held within the six-month period following the natural disaster, but no sooner than 70 days after the adoption of the resolution (not be subject to the scheduling restrictions described above).

Computer Aid

Modify the formula for calculating Computer Aid; payments will be as follows: for payment in July 2018, equal to the July 2017 payment increased by 1.47 percent; for payment in July 2019, equal to the 2018 payment increased by the change in the inflation rate, as defined in the bill (based on the consumer price index). For each year thereafter, equal to the 2019 aid payment amount. [Computer Aid received by a school district serves as an offset to that district's general fund (Fund 10) levy.]

Aid for Exempt Personal Property

Create a new state aid program to make payments to each local taxing jurisdiction to reflect changes in Act 59 that created a new personal property tax exemption for machinery, tools, and patterns from the property tax. Aid payments would be equal to the amount of property taxes levied in the 2017(18) property tax year by that jurisdiction on personal property assessed as non-manufacturing, as of January 1, 2017. Aid payments would remain at the initial payment amount in future years. Payments would be made on or before the first Monday in May. For school districts, this new aid would act as an offset to the districts' general fund (Fund 10) levy, similar to the treatment of Computer Aid.

CATEGORICAL AIDS

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Funding for all categorical aids can be found at the beginning of this document, under [Summary of State School Aids and Tax Credits under 2017 Act 59](#). (See APPENDIX A – ITEMS IN OTHER STATE AGENCIES – [DWD](#) for information on grant programs for schools housed in the Department of Workforce Development.)

Per Pupil Aid

Per pupil payments are set at \$450 per pupil in FY18 and \$654 per pupil in FY19. However, the base for future years is set at \$630 per pupil, beginning in FY20, and thereafter. [See [SCHOOL DISTRICT MANAGEMENT AND OPERATIONS](#) for required reporting to the Department of Administration regarding school district employee health care plan.]

Mental Health Initiative

Mental Health Categorical Aid Program

Provide \$3,000,000 GPR beginning in FY19 to create a new categorical aid program to support school districts, independent charter schools, and private schools participating in a parental choice program, in the expansion of mental health services, by reimbursing school districts for expenditures on social worker services (district employees or contracted services). Aid payments provided in the 2018-19 school year would be based on the change in expenditures for social worker services from the 2016-17 to the 2017-18 school year. The Department is required to promulgate administrative rules for this new program.

School-Based Mental Health Collaborative Grant Program

Provide \$3,250,000 GPR beginning in FY19 to create a new grant program. The Department will award grants to school districts and operators of independent charter schools, to be used for the purpose of providing mental health services to pupils, in collaboration with community health agencies. Strategies may include co-locating community mental health clinics in schools and providing screening and intervention services. School boards and independent charter schools to apply for a grant individually or as a consortium of school boards, charter schools, or both; also, Cooperative Educational Service Agencies (CESAs) can be considered a consortium of school boards. The Department is required to promulgate administrative rules for this new program.

Rural Schools Initiative

Sparsity Aid

Increase funding for Sparsity Aid in order to avoid proration of aid to school districts. The aid payments remain at \$300 per pupil in district with fewer than 746 members and fewer than 10 members per square mile. Create a stop-gap measure to mitigate losses in aid due to ineligibility: any district that qualified for aid in one year but did not qualify the following year due to exceeding the 745 membership criteria would receive 50 percent of its prior year award in the year in which it became ineligible for aid.

Additionally, in the school year in which a school district consolidation takes place and each of the subsequent four school years, the consolidated district would receive sparsity aid equal to not less than 50 percent of the aggregate amount of sparsity aid received by the consolidating school districts in the school year prior to the

year in which the consolidation takes effect (under Consolidation Aid Program motion). The regular eligibility, stop-gap, and consolidation-related aid payments would all be prorated if the appropriation were insufficient to fully cover all eligible aid amounts.

Pupil Transportation Aid

Increase the reimbursement rate for pupils transported in specific mileage bands: over 12 miles (regular school year), from \$300 to \$365 per pupil; 2 to 5 miles (summer school), from \$4 to \$10 per pupil; and over 5 miles (summer school), from \$6 to \$20 per pupil (beginning with aid paid in FY18). Increase funding to fully fund estimated eligible costs for the pupil transportation aid program at the new rates. Payments for pupils riding for fewer than 90 days during the regular school year will no longer be prorated.

High Cost Pupil Transportation Aid

Increase funding by \$5,000,000 GPR beginning in FY18 to increase the reimbursement rate for high cost transportation aid to 100 percent of eligible costs, based on projected transportation costs. Change the threshold for eligibility to include districts with per-member transportation costs that exceed 145 percent (rather than 150 percent) of the statewide average. Additionally, create a stop-gap measure that would provide a one-time aid payment to a district that loses eligibility for this aid, equal to 50 percent of the district's prior year aid award. Funding for the new stop gap payment is limited to \$200,000 annually (could be prorated).

Aid for Transportation – Open Enrollment and Course Options

Modify this appropriation to reflect the elimination of Course Options, and the restoration of Part Time Open Enrollment, as well as the creation of the new [Early College Credit Program](#) (ECCP), as created by Act 59 (changes effective with the 2018-19 school year). Aid will be paid to parents/guardians (as eligible) to reimburse families for the costs of transporting pupils under the Open Enrollment and the ECCP programs. Total funding is \$454,200 GPR annually beginning in FY19.

Aid for Transportation – Youth Options

Repeal the appropriation for Aid for Transportation – Youth Options (YO).

Rural Schools Teacher Talent Pilot Program

Provide \$500,000 GPR annually beginning in FY18, for the Department to make grants to cooperative educational service agencies (CESAs) to coordinate with universities and colleges to provide practicums, student-teacher placement, and internships for undergraduate college students in rural school districts. Grant moneys may be used to expand an existing or create a new program, but not to maintain existing programs.

Consolidation Aid

For a school district consolidation that takes effect July 1, 2019 or later, provide aid to a consolidated district in an amount equal to \$150 per pupil attending school in the consolidated district for the first five years after the consolidation. In the sixth year, districts would qualify for 50 percent of the amount received in the fifth year after the consolidation. In the seventh year, districts would qualify for 25 percent of the amount received in the fifth year after the consolidation. Current consolidation aid provisions relating to higher cost ceilings and guarantees under the equalization aid formula, as well as related revenue limit adjustments, would not apply to these consolidations. The appropriation to pay consolidation aid is sum-sufficient (no proration).

Special Education

Additional (“High-Cost”) Special Education

Modify current law such that school districts will qualify for reimbursement of 90 percent (rather than 70 percent) of eligible prior year costs above the high-cost aid threshold (~\$30,000 for an individual child), first effective with aid paid in the 2017-18 school year. Increase funding (\$739,000 GPR in FY18 and \$853,800 GPR in FY19) in order to avoid proration of aid, based on projected eligibility under the program.

Special Education Categorical Aid

Modify current statutory language to create consistency in the treatment of special education costs that are eligible for reimbursement under this categorical aid program for independent charter schools.

Special Education – Transitions Incentive Grants

Increase funding to \$2,700,000 GPR in FY18 and \$3,600,000 in FY19, to fully fund projected eligibility for the Transition Incentive Grant program, which provides payment to school districts based on postsecondary education and employment outcomes for pupils with disabilities. (In FY17, the \$1,000 statutory payment was prorated to approximately \$60 per eligible survey outcome, as base funding was \$100,000.)

Special Education – Transitions Readiness Investment Grants

Provide \$1,500,000 GPR beginning in FY19 to establish a new grant program that will help districts and independent charter schools expand capacity to provide transition services for pupils with disabilities, in order to identify and create competitive work opportunities for pupils with disabilities who are currently not served by existing programs. Grant awards must be not less than \$25,000, nor more than \$100,000, and will fund special education workforce transition support services, including pupil transportation, professional development for school personnel, and employing adequate school personnel. The Department is required to promulgate rules to implement the program.

Targeted Learning Opportunities and Other Categorical Aids

Gifted and Talented Program Grant

Expand eligibility to allow all school districts to apply for gifted and talented grants (maintain base funding at \$237,500 annually).

Information Technology Education Grant

Provide \$875,000 GPR in FY18 and FY19 for the Department to make a grant to a single provider of information technology (IT) education for public school pupils in grades 6-12, technical college students, and library patrons. Require that the program provide instruction on IT skills and competencies in areas requested by employers, allow participating pupils and educators to secure broad-based industry-recognized IT certifications*, and operate in 225 sites, including 16 public libraries. Require that DPI give preference to an entity that demonstrates that it has successfully provided high quality IT instructional programming and educational opportunities to pupils in Wisconsin.

**Specify that a school district would not be eligible for a [Career and Technology Education \(CTE\) Incentive grant](#) for a pupil who receives a certification from the provider as a result of that certification.*

School Performance Improvement Grant [Milwaukee and Other Eligible Districts]

Provide \$3,690,600 GPR in FY19 for school performance improvement grants, to be awarded to any school, including a public school, independent charter school, or private choice school, located in a school district that received an overall rating of “Fails to Meet Expectations,” in addition to schools located within the boundaries of MPS. To qualify for a grant, a school would be required to develop a written school improvement plan to improve pupil performance in math and reading; and, if the school received funds under this program in the previous year, the school’s accountability score improved from its score two years prior to the previous year. Grant amounts would be based on the number of pupils in an eligible school (for private parental choice schools, only those pupils participating in the parental choice program would be counted).

Personal Electronic Computing Device Grants

Provide \$9,187,500 GPR annually, beginning in FY19 and ending with FY23, for grants provided to school boards, independent charter schools, private schools, and tribal schools, for personal electronic computing devices. Grants monies could be used only to purchase personal electronic computing devices, software for the devices, or curriculum; or, to train professional staff on how to effectively incorporate personal electronic devices into a classroom and into a high school curriculum. Grants will be equal to \$125 per ninth grade pupil (prior year aid membership for public school districts, current year enrollment for all other school types). Require a local match equal to the grant as a condition of receiving a grant. Grants will be prorated if the appropriation is insufficient to support all eligible claims.

Robotics League Participation Grants

Provide \$250,000 GPR annually beginning in FY18, to continue one-time funding provided in FY17, for the robotics league participation grant program, and expand the program to private schools.

School Library Aids Reestimate

Reestimate the funding available for public school library aid, from the Common School Fund (from \$38,000,000 in FY17, to \$35,000,000 in FY18 and \$37,000,000 in FY19). All districts receive this aid.

Summer School Grant [Milwaukee Public Schools]

Provide \$1,400,000 GPR in FY18 and in FY19 in a new grant program to enhance and augment summer school programs in MPS. The MPS board would have responsibility for distributing grants to public schools located in the city of Milwaukee (independent charter schools would not be eligible for grants under this program). Grants would be used by schools to develop, redesign or implement a summer school program as a means of increasing pupil attendance, improving academic achievement, and exposing pupils to innovative learning activities.

Tribal Language Revitalization Grants

Permit Head Start programs to apply for Tribal Language Revitalization Grants (maintain base funding of \$222,800 PR-S annually).

OPEN ENROLLMENT AND EARLY COLLEGE CREDIT PROGRAMS

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Adjustment to the Per Pupil Payment under the Open Enrollment Program

Under Act 59, the adjustment to the Open Enrollment (OE) full time transfer (payment) amount will be: \$307 for non-special education, \$207 for special education OE in FY18, and is *estimated* at \$317 for non-special education OE pupils and \$217 for special education OE pupils in FY19.

Non-special education OE pupils: increase by an additional \$100 per year each year from FY18 through FY21 above any increase provided under the current law indexing mechanism.

Special education OE pupils: for the first year in which a pupil is open-enrolled, the per-pupil payment would be the current law amount (i.e., under the indexing method). Beginning in FY20, for pupils who are open enrolled for the second or subsequent year, the payment would be either the per pupil payment amount under the indexing method or the actual costs to the non-resident district, up to \$30,000, if the non-resident school district had submitted to the Department a financial statement indicating the actual cost to the school district of providing a free and appropriate education to the pupil in the previous school year.

Restore Part Time Open Enrollment

Effective with the 2018-19 school year, restore the part time open enrollment provisions that existed prior to the creation of the Course Options program that was created under 2013 Act 20 and eliminate the Course Options program. Under part time open enrollment, a pupil enrolled in any high school grade in a public school may attend a public school in a nonresident school district for the purposes of taking up to two courses at a time.

Early College Credit Program (ECCP)

Modify current law as it pertains to high school pupils taking post-secondary courses and high school courses in other school districts. Effective for the 2018-19 school year, eliminate the Youth Options (YO) and Course Options programs, as they exist in current law, and create the Early College Credit Program (ECCP). A high school pupil in a public or private school in the state would be permitted to enroll in a UW System institution, or a private, non-profit institution of higher education, to take one or more nonsectarian courses, for which the pupil may earn high school credit, post-secondary credit, or both. The technical colleges are not part of the ECCP. Instead, the language in current law for the YO program is moved to the chapter in state law pertaining to the technical colleges. High school pupils will continue to be able to enroll in courses offered by a technical college.

Under the ECCP, the costs of courses is shared among the institution of higher education (IHE), the school district (or private school), the state, and in some cases, the pupil's family. The IHE shares in the cost by virtue of and allowable tuition charge (see [APPENDIX B – ECCP](#) for details).

The school district (or private school) makes payment directly to the IHE within 30 days of the end of the semester, but may receive state aid (reimbursement of expenditures) to offset its costs. Additionally, if the pupil is receiving just post-secondary credit for a course, the pupil's family is responsible for paying 25 percent of the allowable tuition charge, unless that payment would pose an undue financial burden on the

family, as determined by the Department. School boards will be responsible for establishing policy on the method for collecting the family’s share of costs.

A pupil’s family cannot be charged for any portion of the allowable tuition amount if the pupil is earning high school credit as a result of enrolling in the course (even if the pupil earns both high school and post-secondary credit). Neither the IHE nor the school board may charge a pupil any additional costs or fees to a pupil. However, school boards are authorized to adopt a policy that would limit to 18 (for an individual pupil) the total number of post-secondary credits for which it will pay under the ECCP (and attendance at a technical college), as is the case under current law.

Cost Sharing under the ECCP

Credit is earned for:	IHE	School District	State	Pupil
High School (<i>even if also for postsecondary</i>)*	Cost sharing through limit on allowable tuition charge	75%	25%^	0%
Postsecondary <u>only</u> *		25%	50%^	25%^

*The course must not be comparable to one offered in the school district in which the pupil is enrolled.

^Via reimbursement to school district from grant funds appropriated in the Dept. of Workforce Development and from the pupil.

For additional details on the ECCP, see [APPENDIX B – Early College Credit Program](#).

INDEPENDENT CHARTER SCHOOLS AND PRIVATE SCHOOL PARENTAL CHOICE PROGRAMS

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Per Pupil Payment Adjustment

Under Act 59 the increase per pupil is \$207 for FY18 and is *estimated* at \$217 for FY19.

Per Pupil Payments by Program

<u>Program</u>	Base Year	Act 59 (reflects Governor’s Vetoes) – Estimates	
	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
Parental Choice (K-8)	\$7,323	\$7,530	\$7,747
Parental Choice (9-11)	\$7,969	\$8,176	\$8,393
Independent Charter	\$8,188	\$8,395	\$8,612
Special Needs Scholarship	\$12,000	\$12,207	\$12,424

Charter Schools

Independent Charter School Program Reestimate

Reestimate based on projected enrollments and the per pupil payment amount under Act 59 (appropriation: \$63,802,000 in FY18 and \$68,920,000 in FY19). Require the Department to provide summer school payments to ICS. The payment for ICS summer school pupils is constructed to be similar to schools in the private school choice programs, beginning with pupils attending summer school in summer 2018.

Charter School Authorizer Duties- NASCA Standards

Specify that a charter school authorizer must consider (rather than adhere to, under current law) the principles and standards for quality charter schools established by the National Association of Charter School Authorizers (NACSA) when contracting for the establishment of a charter school.

Independent Charter Schools – New Authorizers

Permit any UW Chancellor (in addition to the UW-Milwaukee and UW-Parkside Chancellors under current law) and any technical college district board (in addition to the Milwaukee and Gateway Boards under current law) to contract with a person to operate an independent charter school. Delete the current law provision restricting the districts in which the Director of the Office of Educational Opportunity (OEO) in the UW System may authorize a charter school (based on district’s membership). Also, delete the current law restrictions on the location of schools authorized by the Gateway Technical College District Board, the districts in which pupils must reside to attend, and the programming that must be provided by, a school authorized by the Gateway Board.

The current law funding mechanism for the charter schools previously established by the Chancellors of UW-Milwaukee or UW-Parkside would remain unchanged and would also apply to any new charter schools established by the Chancellors of UW-Milwaukee and UW-Parkside. Payments to these charter schools are offset by proportionate reductions to the general aid payments of all school districts that receive general aid.

The current law funding mechanism for charter schools established by the Director of the OEO and the Gateway Board would also apply to any charter school established by any Chancellor or any technical college district board other than in Milwaukee. The cost of payments to these charter schools would be offset by a reduction in general aid payment to the resident district (of the pupil attending the charter school) and a corresponding revenue limit exemption (i.e., supported by property tax levy).

Delete the current law provisions under which the Board of Regents may not exercise control over a private gift or grant received by the OEO Director and under which the OEO Director may use a gift or grant at his or her sole discretion in the absence of any specific direction as to its use. Delete the provision under which the OEO Director may invest a gift or grant of moneys.

Union High School Charter Preference

A charter school established under contract with a union high school (UHS) district may give preference in enrollment to pupils who were enrolled during the previous year in a charter school operating under a cooperative agreement with the charter school established under contract with the union high school district.

Virtual Schools – Lifesaving Skills Instruction

Specify that a virtual school would not be required to provide any statutorily-required lifesaving skills instruction in a manner that requires the pupils receiving the instruction and the instructional staff providing the instruction to be together in the same geographic location. Specify that a virtual school could provide all of the required lifesaving skill instruction through means of the internet.

Private School Parental Choice Programs

Milwaukee Parental Choice Program (MPCP) – Reestimate

Reestimate funding based on projected enrollments and the per pupil payment amount under Act 59 (appropriation: \$212,365,800 in FY18 and \$222,227,100 in FY19).

Racine and Wisconsin Parental Choice Programs (RCPC, WPCP)

Reestimate funding based on projected enrollments and the per pupil payment amount, *reflecting changes to eligibility criteria adopted under Act 59* (appropriation: \$56,612,100 in FY18 and \$82,428,100 in FY19). Modify eligibility and prior year attendance criteria (first effective for applications to participate in the program in the 2018-19 school year) as follows:

- Increase the income threshold for eligibility to participate in the WPCP, from 185 to 220 percent of the federal poverty limit (FPL);
- Eliminate the requirement that a pupil's family income be verified if the pupil moves from one of the state's three parental choice program to either of the other parental choice programs;

- Permit a pupil to enter the WPCP if the pupil attended school in another state in the previous school year, regardless of whether or not the pupil meets other prior year criteria under current law; and
- Permit a pupil who resides in a school district other than Racine or MPS, who was placed on a waiting list in any previous school year due to the district-specific pupil participation limit, to enter the WPCP, regardless of grade level at the time of entry, and regardless of whether or not the pupil meets other prior year criteria under current law.

RPCP and WPCP: if a private school that does not participate in a private school choice program enters into an agreement to be subject to the same governing body as a private school that participated in the RPCP or the WPCP in the previous school year, the prior year attendance criteria would not apply to the new school in the first school year in which the schools are governed by the same governing body under.

Parental Choice Programs – Program Language Changes

Eliminate statutory references to a process used in 2011 to identify “eligible” school districts to develop a new private school choice program, which was used to create the Racine private school choice program. Under current law, no new district can qualify as an eligible school district under the process after April 20, 2012.

Special Needs Scholarship Program

Reestimate funding based on projected enrollments and the per pupil payment amount, *reflecting changes to eligibility criteria adopted under Act 59* (appropriation: \$56,612,100 in FY18 and \$82,428,100 in FY19). Modify eligibility and prior year attendance criteria (first effective for applications to participate in the program in the 2018-19 school year) as follows:

- Eliminate the requirement that the pupil must have applied to attend a non-resident school district under the open enrollment program and must have been denied; and,
- Eliminate the requirement that the pupil must have been enrolled in a public school in Wisconsin for the entire school year immediately preceding the school year for which the pupil is applying for the scholarship.

Create a mechanism by which the payment to a private school for an individual pupil participating in the SNSP could be adjusted, based on actual costs (beginning with payments for the 2019-20 school year), based on a financial statement documenting the actual costs submitted by the private school to the Department. If the financial statement is submitted, the pupil’s school district of residence would incur a state aid reduction equal to the actual cost, up to 150 percent of the statutory per pupil payment amount. Additionally, provide state aid to the private school for the actual costs above that threshold, at a rate of 90 percent. See [APPENDIX C – SNSP](#) for specific details of the actual cost and state aid provisions.

Require the Department to provide summer school payments to private schools with pupils attending under the SNSP. The payment for SNSP summer school pupils is constructed to be similar to schools in the private school choice programs, beginning with pupils attending summer school in summer 2018.

OPPORTUNITY SCHOOLS AND PARTNERSHIP PROGRAM

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OSPP Provisions Impacting Racine Unified School District

Act 59 contains several provisions surrounding the OSPP that will impact the Racine Unified School District (RUSD), and creates additional responsibilities for the Department. See [APPENDIX D – OSPP](#) for full explanation of OCCS Provisions under 2017 Act 59. In summary, those provisions:

Create new eligibility criteria to qualify as an “eligible unified school district” for the creation of the OSPP and require the Department to notify, by November 30, 2017 (and annually thereafter), the unified school district and the clerks of the villages located in the boundaries of the unified school district, that the unified district qualifies for the creation of the OSPP. Provide a mechanism that would delay the process for creating the OSPP (related to the RUSD demonstrating compliance with specific provisions of 2011 Act 10).

Permit the village boards of villages located in the eligible unified school district to voluntarily consider a resolution to create new school districts within the existing eligible unified school district. Provide for a mandatory process by which the village boards of the villages located in the eligible unified school district must consider a resolution to create new school districts within the existing eligible unified school district. Require, upon passage of said resolution by the village boards, that the resolution to be forwarded to the School District Boundary Appeals Board (SDBAB) and specify the actions to be taken by the SDBAB.

Specify the timeframe for a referendum on the creation of new school districts and the responsibilities of the village board(s) and the eligible unified school district upon passage of the referendum. (The bill also specifies that the school district creation process under current law would not apply to a school district created under the process described above.)

Study and Report on Reorganized School District: require DPI to contract with an entity to conduct a study of the effect of reorganizing a school district that meets specific criteria (a unified school district that received the lowest rating on the accountability report cards and that received intradistrict aid, in both FY16 and FY17). The study would have to include analysis of the impact of the reorganization on the state aid and property taxes in the existing and new districts, as well as an inventory of school buildings located in, and the assets and liabilities of, the existing school district. The entity conducting the study would be required to submit it to the Department within 120 days of the contract being awarded, and the Department is required to distribute the study to the villages.

EDUCATOR LICENSURE AND EDUCATION PREPARATION PROGRAMS

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Eliminate Expiration Dates for Teaching and Administrator Licenses

Eliminate expiration dates for current, valid, professional teacher, administrator, and pupil services licenses held by individuals as of the effective date of Act 59 (September 23, 2017).

Require the Department to issue a provisional three-year license for new educators, administrators, and pupil services professionals, with a lifetime license granted after the completion of six semesters of successful experience, as certified by the school boards where the person works. Provisional licenses could be renewed if the holder does not complete six semesters of experience within three years (license holder would have to complete the six semesters of experience within three years of the provision license renewal in order to obtain a lifetime license). Require the Department to invalidate the lifetime license of an individual who has not been actively employed in a school district for five or more consecutive years. The individual could apply for a three year provisional license and work towards a lifetime license.

Background Checks for Teaching and Administrator Licenses

Continue to require the Department to conduct background checks on behalf of all school districts, including MPS, and independent charter schools, as under current law.

Alternative Teacher Preparation Program (License)

Require DPI to grant an initial teaching license to an individual who meets the following requirements: (a) possesses a bachelor's degree; (b) has successfully completed an alternative teacher certification program operated by an alternative preparation program provider that is a non-profit organization under section 501 (c) (3) of the internal revenue code, that operates in at least five states and has been in operation for at least ten years, and that requires the candidate to pass a subject area exam and the pedagogy exam known as the Professional Teaching Knowledge exam to receive a certificate under the program; and (c) successfully completes a background check. The specific provisions related to the alternative teacher preparation program describe the American Board for Certification of Teaching Excellence (ABCTE).

Substitute Teacher Permit for Individual with Associate's Degree

Require the State Superintendent to grant a substitute teacher permit to an individual with a two-year degree or its equivalent and substitute teacher training.

Junior Reserve Officer's Training Corps Teaching License

Require the Department to grant a license to an individual to provide instruction to pupils enrolled in a Junior Reserve Officer Training Corps (JROTC) program offered in the high school grades if the individual satisfies the following criteria: (a) possesses a bachelor's degree; (b) successfully completed a JROTC instructor certification program; and (c) fulfills current law requirements related to criminal convictions and background checks for educators. Specify that the license under this provision would authorize the individual to teach the courses for which the individual successfully completed the JROTC instructor certification process.

Faculty Teaching in Public High Schools College Professors in High Schools

Permit a faculty member of an eligible institution of higher education (IHE) to teach in a high school, without a license issued by the Department, if the individual possesses a bachelor's degree, is in good standing with their employing institution, and passes a background check (by the Department). An eligible IHE includes the two- and four-year UW System institutions and technical colleges, as well as private, nonprofit postsecondary institutions that are a member of the Wisconsin Association of Independent Colleges and Universities.

Online Teacher Reciprocity

Specify that an individual who is located in another state but teaches an online course through a virtual charter school or public school district located in Wisconsin, and who holds a license or permit to teach that subject and level in the state in which he or she is located, would be appropriately licensed to teach that subject and level in Wisconsin.

Reciprocity Teaching and Administrator Licenses (Licensure in another State)

Repeal the requirement that a teacher or administrator must have received an offer of employment to teach in a school located in this state in order to qualify for a teacher license or an administrator's license based on licensure in another state.

Teacher Licensure Rulemaking Process

Require the Department to submit a rule to the Legislature by January 1, 2018, revising PI 34 (administrative rule), which contains provisions related to teacher licensure. Specify that the rule could not reduce the standard of quality for obtaining a teacher license. Require the rule to simplify the licensure system as much as practicable, including at least all of the following: (a) simplify the grade levels licensees can teach and create broad field subject licenses; (b) enable school districts to increase the number of teachers by offering internships and residency opportunities; (c) simplify out-of-state licensure reciprocity; (d) expand pathways for existing licensees to fill positions in geographic areas or subject areas that are in need of educational personnel; and (e) create a permit that allows a person enrolled in an educator preparation program to work in a school district as part of an internship, residency program, or equivalent program.

Teacher Development Program

Create a new teacher development program, under which school districts, independent charter schools, and private schools may collaborate with an educator preparation program approved by the Department and headquartered in Wisconsin, to provide eligible school district employees with the necessary curriculum and experience to become fully licensed teachers. Eligible participants include employees of the district, independent charter school, or private school, who work closely with students, but do not hold a teaching license. The school district, or the charter or private school, must permit an individual who does not hold a bachelor's degree to enroll in a program developed and implemented under the teacher development program. The Department would be authorized to issue an initial teaching license to an individual who completes a teacher development program. Also, school districts could apply for a grant from the Department of Workforce Development, under the Wisconsin Fast Forward, to offset costs of program design and implementation.

See [**APPENDIX E – Teacher Development Program**](#), for more information on the specific parameters of the program.

SCHOOL DISTRICT MANAGEMENT AND OPERATIONS

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Childcare Programs Established by School Board

Authorize the Department of Children and Families (DCF) to visit and inspect the premises and records of, and investigate and prosecute any alleged violations occurring at, any child care program established or contracted for by a school board that receives payment under the Wisconsin Shares child care subsidy program. Require school boards to report information about persons denied a contract to establish a child care to DCF (instead of Department of Health Services).

Civics Assessment Requirement for High School Graduation

Increase the score that an individual must achieve on a civics assessment in order to graduate from high school *from 60 points to 65 points*. (No delayed effective date, thus applies to the 2017-18 school year).

Required Report on Employee Health Care Plans

Require districts to report annually (no date specified) to the Department of Administration (DOA) regarding employee health care, including health care plan design, premium contributions, self-insurance contributions, deductibles, copays, coinsurance, and other methods by which employees contribute to health care costs. Require DOA to report this information annually to the Joint Finance Committee and appropriate standing committees of the Legislature.

For changes related to educator licensure, see the section “[EDUCATOR LICENSURE AND EDUCATION PREPARATION PROGRAMS](#)”, which includes information on the following:

- Lifetime license (provisional licenses and removal of expiration dates for professional licenses)
- Alternative teacher preparation license (for the educator)
- Substitute teacher license
- Junior Reserve Officer Training Corps license
- Faculty in institutions of higher education teaching in high schools
- Online course reciprocity
- Reciprocity based on out of state licensure

Whole Grade Sharing (Timeline for Establishing)

Specify that a school board may not enter into, extend, or renew a whole grade sharing agreement after February 15 of the school year preceding the school year in which the agreement, extension, or renewal takes effect, rather than January 10 as under current law. Additionally, require the school board to adopt a resolution stating its intention to enter into, extend, or renew a whole grade sharing agreement at least 60 days before doing so, rather than 150 days as under current law.

AID PROGRAMS FOR INDIVIDUALS AND NON-SCHOOL ORGANIZATIONS

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Bullying Prevention Grants

Provide \$150,000 GPR annually beginning in FY18, for the Department to award grants to a nonprofit organization to provide training and an online bullying prevention curriculum to pupils in grades K-8.

College Possible

Provide \$500,000 GPR annually beginning in FY18 for College Possible to work with college students and high school pupils in Milwaukee. Require matching private funds equal to 20 percent of the grant amount each year.

Teach For America Grant

Move the funding for Teach for America (\$500,000 GPR annually), beginning in FY18, to the Department of Workforce Development (DWD) for a new grant program. Under the program, DWD would award grants to a non-profit organization that operates a program to recruit and prepare individuals to teach in public or private schools located in low-income or urban school districts in Wisconsin.

Very Special Arts

Increase funding to \$75,000 GPR annually beginning in FY18.

Wisconsin Reading Corps

Provide \$300,000 GPR in FY18 and \$700,000 GPR in FY19 on a one-time basis for the Wisconsin Reading Corps to provide one-on-one tutoring. Require matching private funds of \$250,000 each year.

INFORMATION TECHNOLOGY AND PUBLIC LIBRARIES

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Library Service Contracts

Increase funding by \$3,200 SEG in FY18 and \$7,100 in FY19.

Newsline for the Blind

Increase funding by \$16,900 SEG in FY18 and \$35,300 in FY19.

Public Library System Aid

Increase funding on a one-time basis, by \$500,000 SEG in FY18 and \$1,000,000 in FY19, and delete current law requiring DPI to include in its biennial budget submission a request for public library system aid equal to 13 percent of the prior year operating expenditures from local and county sources.

AGENCY ADMINISTRATION AND OPERATIONS

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Programmatic

Mental Health Training Support

Provide \$220,000 GPR in FY18 and FY19 to support training opportunities aimed at increasing capacity within school districts and independent charter schools to provide mental health screening and intervention services to pupils. Additional funding is provided under 2017 Act 31, so total resources for this initiative is \$420,000 GPR annually. Specific programs include the Screening, Brief Interventions, and Referral to Treatment (SBIRT); Trauma Sensitive Schools (TSS); and Youth Mental Health First Aid (YMHFA). Provide 1.0 FTE GPR permanent position to implement the training programs.

Notice of Educational Options

Require the Department to modify the components included in the required notice of educational options available to children in the state, to include the Early College Credit Program, and to reflect the restoration of part time open enrollment and the elimination of Course Options and Youth Options.

Parental Choice Program Position Funding

Provide 1.0 FTE GPR position, and \$60,400 GPR in FY18 and \$79,600 GPR in FY19.

School Report Card Reforms

Require the Department to add the following information about high school pupils in the annual school (accountability) report cards for each school district and each high school in the school district: the number and percentage of pupils attending a course through the Early College Credit Program and participating in a Youth Apprenticeship; the number of community service hours provided by pupils; the number of advanced placement courses offered to, and earned by, pupils; the number of pupils earning industry-recognized credentials through a technical education program established by a school board.

Staff Reductions for Educator Licensing Operations

Eliminate 5.0 FTE positions and associated funding to reflect workload changes related to the elimination of expiration dates for (lifetime) educator licenses issued by the Department.

Study on Public Benefits and Chronic Early Absenteeism

Require the Departments of Children and Families, Public Instruction, Health Services, and Workforce Development to collaborate on a study of the population overlap of public benefit programs and chronic absenteeism among students. The report would be due on or before December 30, 2018, to the Governor and the appropriate standing committees of the Legislature.

Reestimates and Technical Changes

Debt Service Reestimate

Reestimate debt service on authorized bonds (increase by \$5,400 GPR in FY18 and decrease by \$16,800 GPR in FY19).

Federal and Program Revenue Reestimates

Reestimate appropriations for federal program revenues (increase by \$923,600 FED in FY18 and FY19) and appropriations for program revenues (increase by \$3,151,100 PR in FY18 and \$3,207,300 PR in FY19).

Fuel and Utilities Reestimate

Reestimate the appropriation for energy costs for fuel and utilities at the state's two residential schools (increase by \$91,600 GPR in FY18 and by \$85,300 GPR in FY19), for expected changes in prices, reflecting statistically normal weather conditions (estimate produced by the Administration).

Renewable Energy Appropriation

Create a new appropriation in the amount of \$14,500 GPR in F18 and FY19 for the purchasing of renewable energy (transfer from an existing appropriation for fuel and utilities costs).

Standard Budget Adjustments

AGENCY REQUEST:

Adjustments to the agency's base appropriations to reflect standard budget adjustments for: 1) turnover reduction (-\$427,900 GPR and -\$494,800 FED in FY18 and FY19); 2) remove non-continuing items from the base (-1.0 FTE and -\$76,200 FED in FY18, and -2.0 FTE and -\$144,700 FED in FY19); 3) full funding of continuing salaries and fringe (-\$823,500 GPR, \$3,100 PR, \$66,100 PR-S and \$843,800 FED in FY18 and FY19); 4) overtime (\$274,500 GPR, \$3,600 PR, \$10,200 PR-S and \$50,200 FED in FY18 and FY19); 5) night and weekend differential (\$55,500 GPR, \$200 PR-S and \$400 FED in FY18 and FY19); and 6) full funding of lease and directed moves costs (\$52,200 GPR and \$16,800 FED in FY18 and \$99,800 GPR and \$18,200 FED in FY19).

APPENDIX A – ITEMS IN OTHER STATE AGENCIES

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Department of Administration

Technology for Educational Achievement

Extend the sunset date of the Technology for Educational Achievement (TEACH) information technology infrastructure grant program, from July 1, 2017 to July 1, 2019. Expand access to IT infrastructure grants by modifying the eligibility criteria for school districts, from 13 to 16 pupils or fewer per square mile, beginning in FY18. Include portable hotspot devices placed on a bus or checked out from a school as eligible expense. Consolidate the five separate TEACH appropriations into one appropriation and providing funding the amount of \$21,984,200 in FY18 and \$15,984,200 in FY19, from a combination of segregated revenues from the Universal Services Fund and from federal E-rate monies.

Department of Children and Families

Families and Schools Together

Provide \$250,000 FED in FY18 and in FY19 to support an evidence-based prevention/early intervention pilot program that connects schools, families and communities to enhance family functioning; promotes scholastic success; and prevents substance abuse, delinquency and child maltreatment. The target population is pupils in 4k through third grade, in five Milwaukee elementary schools, to be chosen by DCF.

Department of Health Services

Funding for Medical Assistance Benefits

Increase funding for medical assistance (MA) benefits by \$610,000 (\$250,000GPR and \$360,000 FED), beginning in FY19, to reflect an estimate of the cost of providing MA reimbursement for clinical consultation involving mental health practitioners and school personnel (students up to age 21).

Public Service Commission (PSC)

Broadband Expansion Funding

Provide a net total of \$14,000,000 in segregated funds from the Universal Services Fund (USF) in the PSC appropriation for broadband expansion grants in FY18 (based funding is \$1,500,000). Change the appropriation from an annual to a continuing appropriation. While there are \$0 appropriated under Act 59 for FY19, any unspent amounts from FY18 could be used to fund grants in FY19.

Require each state agency receiving USF revenues to report to the PSC within 30 days of the close of the fiscal year an estimate of the amount of unexpended and unencumbered funds in the agency's USF appropriation (except DOA is required to provide the estimate in each odd-numbered year). There are four USF-funded appropriations under the Department of Public Instruction: the digital learning collaborative, public library system aid, support of library services contracts, and support of Badgerlink and Newsline for the Blind services.

Require the PSC to reduce the amount of revenues to be raised through USF contributions for broadband expansion grants in the subsequent year by the amount of the estimated unexpended and unencumbered funds. Transfer any unexpended funds from each universal service fund program at the end of each fiscal year, on an ongoing basis, to the broadband expansion grants (includes appropriations in the Department).

In calculating contribution levels for telecommunications providers, require the PSC to ensure that a minimum annual funding level is available for making broadband expansion grants both through transfers from the various USF appropriations and from current year contributions (\$2,000,000).

Create a criteria that would give priority to unserved areas, as designated by the PSC; and, criteria that gives priority to projects that will not result in delaying the provision of broadband service to areas neighboring areas to be served by the proposed project. Require the PSC to consider the impacts of proposed projects on the availability of individuals to access health care services from home and the cost of those services, and the *impacts of proposed projects on the ability of students to access educational opportunities from home*, and the degree to which projects would duplicate existing broadband infrastructure.

Wisconsin Economic Development Corporation (WEDC)

Fabrication Laboratory Technical Assistance Grants

Require WEDC to allocate at least \$500,000 in FY18 and FY19 from existing fund sources to implement a program substantially similar to the Act 55 program for grants for Fab Labs. Grants would be provided to eligible recipients for purchases of equipment used in Fab Labs for instructional and educational purposes by grade school, junior high school, and high school pupils.

In addition, require WEDC to allocate \$100,000 in FY18 and \$300,000 in FY19 from existing fund sources for the purpose of making Fab Lab technical assistance grants, to one or more nonprofit organizations, for the provision of services to Wisconsin school districts in which the school board has adopted a resolution to initiate a Fab Lab. Services under this grant award would have to include: the development of curricula for a Fab Lab; in-school coaching and ongoing professional development for district personnel; and other assistance related to Fab Labs, as determined by WEDC.

A Fab Lab would be defined as a high-technology workshop equipped with computer-controlled additive and subtractive manufacturing components. A nonprofit organization could be eligible for the grant if the organization is exempt from federal income tax under Section 501 (c) (3) or (6) of the Internal Revenue Code.

Department of Workforce Development (DWD)

Early College Credit Program

Create an annual GPR appropriation and provide \$1,753,500 beginning in FY19 to reimburse school districts and private schools for payments under the ECCP. Require DWD to pay to DPI a portion of the costs of tuition for a pupil attending an institution of higher education under this program on behalf of the school board, with the reimbursement percentage determined based on the type of course credit received by the pupil (as described in the [ECCP Cost Sharing Model](#)). If the appropriation under DWD is insufficient to reimburse all school districts the full amount of reimbursable tuition, the Secretary of DWD must notify the State Superintendent, who would then be required to prorate the amount of the payments among eligible school districts.

Wisconsin Fast Forward

Modify the Department's existing Fast Forward workforce training program to allow DWD to award grants from the Fast Forward appropriation for any of the following additional activities:

- Grants for collaborative projects among *school districts, technical colleges, and businesses to provide high school students with industry-recognized certifications* in high-demand fields, as determined by the Department.
- Grants for programs that *train teachers and that train individuals to become teachers*, including teachers in dual enrollment programs.
- Grants for the development of public-private partnerships designed to improve workforce retention through employee support and training.
- Grants to nonprofit organizations, institutions of higher education as defined in federal law, and employers to increase the number of students who are placed with employers for internships.
- Grants to community-based organizations for public-private partnerships to create and implement a *nursing training program for middle school and high school students*.

Define "dual enrollment program" to mean a program or course of study designed to provide high school students the opportunity to gain credits in both technical college and high school, including transcribed credit programs or other educational services provided by contract between a school district and a technical college. Further, define "teacher" to include an instructor at a Wisconsin Technical College System technical college.

Grants for Teacher Training and Recruitment

Transfer \$500,000 GPR annually from the Department's Teach for America appropriation to DWD, and rename the appropriation "Workforce development; grants for teacher training and recruitment." Require DWD to award a grant to a nonprofit organization that applies to receive a grant if all the following apply: (a) the organization is described under section 501 (c) (3) or (4) of the Internal Revenue Code and exempt from taxation under section 501 (a) of the Internal Revenue Code, (b) the organization operates a program to recruit and prepare individuals to teach in public or private schools located in low-income or urban school districts in Wisconsin, and (c) the organization submits an application no later than January 15 in the year for which the organization seeks a grant, and includes a description of the organization and its program, and the manner in which grant funding will benefit or has benefited the organization in the past.

Require DWD to establish a process for evaluating and assigning a score to each organization eligible to receive a teacher training and recruitment grant. If the amount appropriated is insufficient, require DWD to give preference in evaluating teacher training and recruitment grants to a nonprofit organization for each of the following: (a) the program trains future teachers who are enrolled in an accredited college or university in Wisconsin concurrent with training; (b) the program focuses on future teachers who plan to teach in public or private schools in Wisconsin as a profession; (c) the program provides continuing education and professional development; and (d) the program attempts to place a majority of its total participants in public or private schools located in low-income or urban school districts in Wisconsin.

When awarding a teacher training and recruitment grant, DWD may not consider the religious affiliation, if any, of the nonprofit organization or whether the organization has received funding from the state in the past. Require DWD, by February 15 of each year, to make its determination regarding successful applicants and notify those applicants that will receive a teacher training and recruitment grant.

Grant for Building Occupational Skills for Success Program (BOSS Grants)

Allocate \$200,000 in FY18, Wisconsin Fast Forward program (appropriation for workforce training), for the Milwaukee Development Corporation (MDC) for the purpose of supporting the Building Occupational Skills for Success (BOSS) program, which is designed to provide students with the skills and tools needed to become future business owners. DWD would be required to award the grant to if the MDC does the following: 1) provides equal matching funds to support the BOSS program (match may be provided by another organization); 2) agrees to make the BOSS program curriculum available, upon request, to any school board, independent charter school, private school, tribal school, or nonprofit organization, after the program has been implemented in Milwaukee Public Schools (MPS) for one year; and agrees to submit a report to the Joint Committee on Finance that summarizes the BOSS program results, no later than 90 days after the program has been implemented in MPS for one year.

Career and Technical Education (CTE) Incentive Grants

Require DWD to allocate not less than \$3,500,000 GPR annually for [CTE Incentive Grants](#) from the Wisconsin Fast Forward program (appropriation for workforce training).

Technical Education Equipment Grants

Create a new technical education equipment grant program, and require DWD to allocate at least \$500,000 annually from the Wisconsin Fast Forward program (appropriation for workforce training) for grants to school districts, to be used for acquiring equipment that is used in advanced manufacturing fields in the workplace, software necessary for the operation of the equipment, and any instruction material necessary to train pupils in the operation of the equipment. Authorize DWD to award grants to a school district to support building modifications needed to support a school district's technical education programs.

The maximum grant to a school district would be \$50,000. The school district would be required to provide a match in the amount of 200 percent of the grant amount awarded, in the form of money or the monetary value of equipment, contributed from private sources, the school district, or both. Require each school district that receives a grant to file a report with DWD by September 1 of each of the first three fiscal after the grant was received. The report must: describe how the grant moneys were expended and the outcomes achieved as a result of receiving the grant; share the best practices employed by the school district regarding the training of pupils in the use of the equipment acquired with the grant moneys; include a plan for sustainability of that training; and provide such other information as required by DWD.

DWD is required to promulgate rules to administer the grant program.

APPENDIX B: EARLY COLLEGE CREDIT PROGRAM

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Early College Credit Program (ECCP)

Modify current law as it pertains to high school pupils taking post-secondary courses and high school courses in other school districts. Effective for the 2018-19 school year:

- Eliminate current law provisions for the Youth Options and Course Option programs.
- Create the Early College Credit Program (ECCP) to govern traditional dual enrollment for college credit, under which a public high school pupil may enroll in an institution of higher education (IHE) for the purposes of taking one or more nonsectarian courses, including during summer semester or session.
- General eligibility parameters:
 - A pupil in any high school grade, in a public (including independent charter) or private school, could participate in the ECCP (current law Youth Options limits participation to pupils in the 11th and 12th grades). A high school pupil attending a private school could participate in the program and that the private school would be required to abide by the same requirements and rules as public schools related to the ECCP.
 - Eligible IHEs include UW System (UWS) institutions, tribally-controlled colleges, and a private, nonprofit IHEs located in the state. [NOTE: technical colleges are not be included in the ECCP, but would continue to operate under statutes similar to the current law Youth Options Program (Act 59 moves the current law Youth Options language to the statutes for the Technical College System [Chapter 38, Wis. stats.]].
- *Cost Sharing*: costs would be shared between the IHE (limit on allowable tuition charge), the school district (direct payment to IHE), and the state (reimbursement to school district); and for postsecondary-only credit, the pupil (reimbursement to school district). See “Tuition” bullet and “Cost Sharing under the ECCP” table, below.
- *Pupil responsibilities*:
 1. Indicate on the application for the ECCP whether they will take the course for high school or postsecondary credit, or both; and
 2. Consent to the IHE disclosing information pertaining to the course(s) the pupil enrolled in, and the pupil’s grades and attendance record, to the public school in which the pupil is enrolled.
- *IHE responsibilities*:
 1. Admit a pupil to attend a course under the ECCP at the IHE, provided the pupil meets the requirements/prerequisites of the course, and there is space available in the course.

2. If a pupil indicates that they intend to take a course for postsecondary credit at a UWS institution, the UWS must notify the pupil as to whether credits earned for the course are transferable between and within institutions within the UWS.
- *School district responsibilities:*
 - Pay the IHE for the cost of the course within 30 days of the end of the semester.
 - Submit an itemized report to the Department of the amounts paid to IHEs for pupils participating in the ECCP.
 - Establish a written policy governing the timing and method for recovering the pupil's share of the tuition for courses that a pupil takes for postsecondary credit only.
 - Update the required notice of educational options available to children in the school district to include the ECCP, and to reflect the restoration of part time open enrollment (and the elimination of Course Options and Youth Options).
 - *Allowable Tuition Charge (by the IHE):*
 - For courses that a pupil takes at UW College campuses (2-year institutions), one-half of the amount that would be charged to a state resident undergraduate student enrolled at the UW College (per credit).
 - For courses that a pupil takes at other UW institutions (4-year institutions), not to exceed one-third of the amount that would be charged to a state resident undergraduate student enrolled at the UW institution (per credit).
 - For courses that a pupil takes at a private, non-profit IHE, one-third of the amount that would be charged to a state resident undergraduate student enrolled at UW Madison (per credit).
 - If the pupil takes that course at a high school in a school district (for high school credit), the school board of the school district in which the pupil is enrolled (rather than the IHE) would be responsible for the costs of books and other necessary materials for the course.
 - *Prohibition on additional charges:* Neither the IHE or the school board may charge a pupil any additional costs or fees to a pupil, except that the bill would retain the current law provision that a school board may limit the amount it will pay to no more than 18 postsecondary semester credits per pupil.

Cost Sharing under the ECCP

Credit is earned for:	School District	State	Pupil	IHE
High School <i>(even if also for postsecondary)*</i>	75%	25% [^]	0%	Cost sharing through limit on allowable tuition charge
Postsecondary <u>only</u> *	25%	50% [^]	25% [^]	

**The course must not be comparable to one offered in the school district in which the pupil is enrolled.*

[^]Via reimbursement to school district from grant funds appropriated in the Dept. of Workforce Development and from the pupil.

- *Pupil's share of tuition:* the pupil is responsible for 25 percent of the tuition if the pupil takes a course for postsecondary credit only. However, the school board must waive the pupil's financial responsibility if the Department of Public Instruction determines that the cost would pose an undue financial burden on the pupil's family.

State's share of tuition: the state's share of the tuition cost would be accomplished by appropriating funds within the Department of Workforce Development (DWD) and reimbursing school districts for costs incurred under the ECCP. See **APPENDIX A – ITEMS IN OTHER STATE AGENCIES, DWD - [ECCP](#)**.

- Provide \$1,753,500 GPR in FY19, in a new appropriation in DWD, for payments to school districts. The Secretary of DWD is directed to make payments to the Department, on behalf of the school board of a school district in which a pupil who attended an IHE, the following amounts:
 1. For a pupil who took a course for high school credit (even if also for postsecondary credit), 25 percent of the actual cost of tuition for the course*.
 2. For a pupil who took a course for postsecondary credit, 50 percent of the actual cost of tuition for the course*.

** The payments would be prorated if the DWD appropriation were insufficient to fully fund all eligible reimbursements to all school districts.*

- The Department of Public Instruction is directed to distribute the payments received from DWD as reimbursement to school districts to provide the state's share of tuition costs, in accordance with the cost sharing model described above and based on the itemized report of the amounts paid to IHEs for pupils participating in the ECCP submitted by the school district to the Department.

APPENDIX C: SPECIAL NEEDS SCHOLARSHIP PROGRAM (SNSP)

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Create a mechanism by which the payment to a private school for an individual pupil participating in the SNSP could be adjusted, based on actual costs (beginning with payments for the 2019-20 school year):

Beginning with FY19, a private school would have the option to submit a financial statement showing the actual costs incurred by the school to provide required services to each child with a disability at the end of each school year for which a private school receives scholarship payments for that child. If submitted, require that the financial statement include documentation of each expense, and require the Department to provide the financial statement to the pupil's district of residence. [Act 59 does not provide authority for either the Department or the resident school district to verify or deny the expenditures included on the financial statement.]

For a private school that **submitted** a financial statement to the Department in the prior year: in the second year (and subsequent years) of a pupil's participation in the program, the payment would be the greater of the payment amount under current law (under the indexing mechanism), or the actual costs incurred by the private school in the prior year to implement the child's most recent IEP or services plan, as modified by agreement between the private school and the child's parent, and related services agreed to by the private school and the child's parent that are not included in the child's IEP or services plan.

1. The cost of payments up to 150 percent of the per pupil payment in the current year would be funded through a reduction in the general aid that is otherwise paid to each pupil's district of residence, offset for the district with an equal revenue limit adjustment.
2. If the cost exceeds 150 percent of the per pupil amount, the private school would be reimbursed for 90 percent of the costs above that amount with state GPR (no corresponding aid reduction to the pupil's district of residence would occur for this amount, so the state's general fund would be fully impacted by these new aid payments to the private school).

For a private school that **did not submit** a financial statement to the Department in the prior year: the payment amount would be equal to the payment under current law (per the indexing method for per pupil payments).

APPENDIX D: OPPORTUNITY SCHOOLS PROGRAM PARTNERSHIP

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Study of Proposed School District Creation

Provide \$75,000 GPR in FY18 in a biennial appropriation for a study of school district creation and require the Department to issue a request for proposal for the study within 30 days after the bill's effective date. Require DPI to contract with an entity to conduct a study of the effect of reorganizing a school district that meets the following criteria in FY16 and FY17: (a) is assigned to the lowest performance category on the annual accountability reports; and (b) received intradistrict transfer aid. The study would consider the effect of creating one or more new school districts that consist of one or more villages located within the eligible school district.

The contract must require the entity to evaluate at least all of the following: (a) the estimated general and categorical school aid that the existing school district and new district or districts would be eligible to receive following the reorganization; (b) the impact the reorganization would have on the amount of property taxes paid by residents of the existing school district and the new district or districts; (c) an inventory of school buildings located in the existing school district; and (d) the assets and liabilities of the existing school district. Require that the entity produce a report no later than 120 days after the contract is awarded. Require that the report would be submitted to DPI, and that DPI would distribute the report to the village board of each village located in the existing school district as well as the school board of the eligible school district.

OSPP – New Eligibility Criteria

Create new eligibility criteria to qualify as an “eligible unified school district” for the creation of the OSPP. To qualify as an eligible unified school district, specify that a district must meet the criteria for the creation of an OSPP under current law, and two new criteria: the district contains a city that has a population of more than 75,000 and the district contains at least two villages. Require the State Superintendent to notify, by November 30, 2017 and each year thereafter, the school district administrator of an eligible unified district and the clerk of each village in an eligible unified school district that the district qualifies for the creation of an OSPP.

Provide a mechanism that would delay the process for creating the OSPP:

- Within 120 days after receiving notice that the district qualifies for the creation of an OSPP, an eligible unified school district could demonstrate to DOA that the school board is not delegating its authority to make decisions about providing benefits to its employees.
- If DOA certifies that the school board of the eligible unified school district is not delegating its authority to make decisions about providing employee benefits, the county executive could not select a commissioner unless the eligible unified school district was assigned to the lowest performance category on the accountability reports published in the three most recent school years, and received intradistrict transfer aid in the three most recent school years.
- If DOA does not certify that the district is complying with the prohibition, require the county executive to proceed with the process of selecting a commissioner, as under current law.

School District Creation

Within 60 days after receiving notice that the school district qualifies as an eligible unified school district, specify that the village board of each village located within the district could consider a resolution to affirm or deny the village board's intent to create a new school district. If the board adopts a resolution affirming the village's intent to create a new district, require that the board include all of the following information in the resolution: (a) the territory of the new school district, which must correspond with village boundaries but may incorporate more than one village; (b) the name of the new school district; (c) the type of school district and the grades to be taught by the new school district; and (d) the proposed effective date of the school district creation, either July 1 of the following year or July 1 of the second following year.

Require a village board to adopt a resolution to provide for a referendum to create a new school district if the following criteria are met: (a) the village board did not adopt such a resolution in the previous school year; (b) DOA certified that the district is not delegating decisions about employee benefits; (c) the district was assigned to the lowest performance category on the accountability reports published in the three most recent school years; and (d) the district received intradistrict transfer aid in the three most recent school years.

Require that the resolution to provide for a referendum to create a new school district would be adopted within 60 days after receiving notice that the school district qualifies as an eligible unified school district. Specify that the board must include the following information in the resolution: (a) the territory of the new school district, which must correspond with village boundaries but may incorporate more than one village; (b) the name of the new school district; (c) the type of school district and the grades to be taught by the new school district; and (d) the proposed effective date of the school district creation, either July 1 of the following year or July 1 of the second following year.

If a village board adopts a resolution affirming its intent to create a new school district or providing for a referendum, require the village board to submit the resolution to the School District Boundary Appeals Board (SDBAB). Upon receipt of the resolution, require SDBAB to hold a public hearing on the proposed reorganization. After the hearing and after consulting with the school board of the eligible unified school district and the village boards of the villages located within the proposed school district, require SDBAB to determine the apportionment of assets and liabilities between the eligible unified school district and the proposed school district according to criteria established in current law for the apportionment of assets and liabilities following the division of territory. Require SDBAB to issue an order by no later than 180 days after the board receives notice of the district's eligibility that includes the territory of the new school district, as described in the resolution adopted by the village board, and the apportionment of assets and liabilities.

Require a binding referendum to be held on a proposed reorganization in the territory of the school district proposed to be created by the reorganization. Require that the referendum be held on the first Tuesday after the first Monday in November following the order issued by SDBAB. If a majority of the votes cast in the referendum is in favor of the creation of the proposed district, require the village boards of the villages included in the proposed school district to adopt a resolution to designate the following for the proposed district no later than 60 days after the referendum: (a) the number of school board members in the new district; (b) the terms of initial members of the school board; (c) the method of election of school board members. Require the village to submit the resolution to the eligible unified school district. After receiving the resolution, require the school board of the eligible district to make and file an order of reorganization designating that the first election of school board members must occur at the regularly scheduled spring election immediately following the date on which the order is filed with the board. Specify that the reorganization would take effect on the July 1 described in the resolution adopted by the village board.

APPENDIX E: TEACHER DEVELOPMENT PROGRAM

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Create the teacher development program, under which school districts, independent charter schools, and private schools may collaborate with an eligible teacher preparation program, to provide eligible school district employees with the necessary curriculum and experience to become fully licensed teachers:

- An eligible program could be developed by a school district, an independent charter school, or private school, in partnership with any educator preparation program approved by the Department and headquartered in Wisconsin.
- Eligible participants include employees of a school district, independent charter school, or private school, who work closely with pupils, but who do not hold a teaching license.
- Require school districts, independent charter schools, and private schools to permit an individual who does not hold a bachelor's degree to enroll in a teacher development program developed and implemented under the grant program.
- The program must be designed to allow the participant to successfully complete the requirements for obtaining a professional teaching permit or an initial teaching license, including any standardized examination prescribed by the state superintendent as a condition for permitting or licensure.
- In implementing a teacher development program, a school district must allow employees who are enrolled in the program to satisfy student teaching requirements in a school in the school district; the partnering entity must prepare and provide intensive coursework for participating school district employees.
- Authorize the Department to issue an initial teaching license to an individual who completes a teacher development program designed and implemented under this section.
- Authorize school districts to apply for a grant from the Department of Workforce Development, under the Wisconsin Fast Forward, to offset costs of program design and implementation.

Department of Workforce Development (DWD) Provisions

Authorize DWD to award grants to school districts that partner with an allowable teacher preparation program to design and implement a teacher development program described above. Require DWD, in awarding grants to school districts, to:

1. Consult with the Department of Public Instruction to confirm that the teacher development program satisfies the requirements laid out above;
2. Consider the methods by which the school district and partnering entity will make the teacher development program affordable to participating employees; and,
3. Consider whether the school district has agreed to contribute matching funds towards the teacher development program.

University of Wisconsin System (UWS) / Board of Regents Provisions (Flexible Options Program)

Require the UWS Board of Regents (BOR) to increase the total number of accredited, competency-based degree and certificate programs offered under the UW Flexible Option platform, by 100 percent, by December 1, 2019. The BOR must ensure that at least one School of Education within the UW System has partnered with a school district to develop a teacher residency program by December 1, 2019 (however, the coursework provided by the School of Education would not be required to be delivered via the UW Flexible Option platform).

With respect to the teacher development program, require the BOR to ensure one of the new programs offered provides curriculum that is designed to prepare non-teacher school district employees to successfully complete a standardized examination prescribed by the state superintendent as a condition for obtaining a professional teaching permit or an initial teaching license.

Provide \$271,100 GPR in FY18 and \$376,900 GPR in FY19 to UWS for financial aid for students enrolled in a Flexible Option Program (which would include a teacher development program designed and implemented in collaboration with a school district, independent charter school, or private school).

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